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# Farm Broadcasters Letter



Letter No. 2276

August 21, 1986

EXPORT FORECAST  
LOWERED

U.S. agricultural exports in fiscal 1986 are forecast at 26 billion 500 million, down from 31 billion 200 million a year earlier and 1 billion below the May forecast, according to the U.S. Department of Agriculture. The volume of U.S. agricultural exports is projected at 108 million metric tons, 14 pct. below fiscal 1985. The decrease reflects delayed purchases by major importers in anticipation of lower commodity prices this fall as the new 1986/87 loan rates take effect. The volume decline also reflects a drop in Soviet grain imports from the record levels of a year earlier, plus continued large foreign production, intense foreign competition, and financial constraints in many developing countries.

TRADE BALANCE-  
6 BILLION

Fiscal 1986 farm imports are estimated at \$20 billion 500 million, up \$700 million from fiscal 1985, due largely to higher coffee prices. The resulting trade balance is placed at 6 billion dollars, the lowest since 1972, according to the U.S. Department of Agriculture.

U.S. EXPORT  
VOLUME FOR  
1987

The U.S. export volume is expected to rise substantially in fiscal 1987, according to the U.S. Department of Agriculture. Increases will be spurred by sharp declines in export prices, reflecting reduced loan rates for many major bulk commodities. A weaker U.S. dollar in foreign exchange markets should also strengthen the U.S. competitive position and expand export sales. In addition, the Export Enhancement Program announced for a broad range of commodities should benefit U.S. trade.

JAPAN TOP U.S.  
FARM MARKET

Japan will remain the leading single-country market for U.S. agricultural exports in Fiscal 1986, as it has been every year since 1963, according to the U.S. Department of Agriculture. U.S. agricultural sales to Japan peaked in fiscal 1984 at 6 billion 900 million, fell to 5 billion 700 million in 1985, and are forecast to drop to under 5 billion in fiscal 1986. Depressed commodity prices and declining U.S. share in key markets are behind the decline. As U.S. grain and cotton prices become more competitive under new farm legislation, the U.S. is expected to regain a more normal share of Japan's corn and cotton imports.

DAIRY  
TERMINATION  
PROGRAM

The U.S. Department of Agriculture estimates 525,900 head of dairy cattle were slaughtered in federally-inspected plants during the week ending Aug.2, as a result of the Dairy Termination Program.

# WHEAT POLL RESULTS

Among the results of the mandatory wheat production poll conducted by the U.S. department of Agriculture were these:

- \* Some 78 pct. of those eligible to vote declined to participate.
- \* Of the 1,565,517 ballots mailed to wheat producers, 346,034 were returned. Of those, 26,626 were invalid.
- \* The remaining 20 pct. - 319,408 - were valid. Of those, 171,389 or 54 pct., favored mandatory production controls; 148,019 or 46 pct. opposed them.

Approximately 16,000 ballots were rejected at county Agricultural Stabilization and Conservation Service offices because producers failed to follow instructions for placing the ballots in the proper envelopes or because they enclosed more than one ballot in the envelopes. Some 10,000 ballots were rejected at the ASCS Kansas City management office, where all ballots were sent for tabulation. The vast majority of these were disqualified because producers failed to answer the first question, which asked "Do you favor mandatory limits on production?"

# ACRES IN RESERVE

The Conservation Reserve Program has enrollment goals of 5 million acres during the 1986 crop year and 40 to 45 million acres by 1990, but only 3 million 800 thousand acres were signed up in March and May. According to the U.S. Department of Agriculture, enrollment in the reserve will likely accelerate during subsequent signups as farmers become better informed about the program and the range of bids acceptable. Experience with the Soil Bank Program of the 1950's suggests that the Conservation Reserve Program goal of 40 to 45 million acres can be met. (For more information, call Terry Townsend or Herb Moses at 202-786-3313.)

# FARM CASH FLOW

In 1985, over 55 pct. of all farms had positive cash flows, compared with 49 pct. in 1984, according to the U.S. department of Agriculture. However, farms with debt/asset ratios greater than four-tenths of one percent increased from 19 pct. of all farms in 1984 to 21 pct. in 1985. Nearly 40 pct. of all farms were debt-free on Jan. 1, 1986, and another 39 pct. had debt/asset ratios below four-tenths of one percent.

# CATTLE ON FEED

Cattle and calves on feed on Aug. 1, 1986, for the slaughter market market in the 7 states preparing monthly estimates totaled 6 million 320 thousand head, down 1 pct. from a year ago and 7 pct. below Aug. 1, 1984, according to the U.S. Department of Agriculture. Marketings of fed cattle during July totaled 1 million 680 thousand, an increase of 1 pct. from last year, 8 pct. above July 1984 and the highest July total since 7 state estimates were begun in 1972.

# FARM INCOME

The net cash income for the farm sector in 1986 is forecast by the U.S. Department of Agriculture at \$43 to \$47 billion, which means little if any change from the record-high \$44 billion in 1985. Direct payments to the farm sector will total a record 10 to 13 billion dollars in 1986, and net Commodity Credit Corporation loans will add another 8 to 12 billion dollars. The 5 to 7 pct. decline in 1986 farm production expenses will lower cash expenses to the 1980 level.



FROM OUR  
TELEVISION  
SERVICE

AG. RESOURCES - ENERGY, FERTILIZERS AND PESTICIDES...Farm energy expenditures are expected to be down one billion this year, because of lower oil prices and reduced crop plantings. USDA economist Herman Delvo focuses on reasons behind this situation. DeBoria Janifer interviews. (256)

COTTON AND WOOD OUTLOOK...U.S. textile use of cotton is the highest this decade, even though imports of cotton textiles have reached a new record. USDA economist Sam Evans examines the factors behind the increased use of cotton. Vic Powell interviews. (257)

CURRENT AGRICULTURAL OUTLOOK...Net cash income for the farm sector in 1986 is forecast at \$43 to \$47 billion, little changed from the record-high \$44 billion in 1985. USDA economist Herb Moses talks about these and other factors contributing to the current agricultural outlook. DeBoria Janifer interviews. (258)

CALCIUM SUPPLEMENT STUDY...USDA research scientist Dr. Bess Dawson-Hughes focuses on research work being conducted at the USDA Human Nutrition Center in Boston to determine the effect of calcium supplements. Vic Powell interviews. (259)

CALCIUM-AND IRON...USDA research scientist Dr. Bess Dawson-Hughes continues her discussion on studies being conducted at the Human Nutrition Research Center in Boston, focusing on osteoporosis, calcium and iron. Vic Powell interviews. (260)

FROM OUR RADIO  
SERVICE

AGRICULTURE USA #1525..(Weekly 13 min documentary) Wayne Rasmussen has retired from his post as Agricultural Historian at the Dept. of Agriculture. He has served as historian from the FDR administration to the present. George Holmes talks with Dr. Rasmussen - as the historian frankly gives his views on each Agriculture Secretary since 1944.

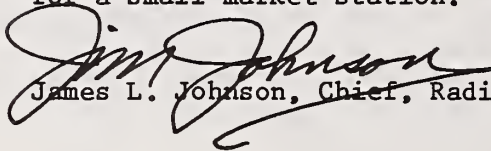
AGRITAPE/FARM PROGRAM REPORT #1514...(Weekly reel of news features)...USDA news highlights; Storage problems force expansion of price support loan program; The search for more grain storage space; Farm equipment slump; more bad news for farm exports.

CONSUMER TIME #1007...(Weekly reel of 2-3 min features)  
Trace elements important to health; your brain chemistry may supply clue to better insect control; The at-home business boom; A "bonsai" of a garden; selling things to the Soviets.

USDA RADIO NEWS SERVICE...Wed, 27th Aug., Fruit Outlook; Fri., Aug. 29, Agricultural Prices; Wed., Sept. 3, Wheat Outlook, Crop and Weather Update; Thurs., Sept. 11, U.S. Crop Production, World Crop Supply and Demand, Soviet Crop Production. Dial the USDA National News Line 202-488-8358 or 8359. All material changed at 5 p.m. ET each working day.

OFF MIKE

Jack McConnell is back at KMMJ, Grand Island, Neb, replacing Ron Bahe. Jack left KNOX, Grand Forks, No.Dak on August 22. Consequently, KNOX is looking for someone to take over the farm broadcasting duties. If you're interested, call Bob Scott at KNOX, 701-775-4611 ... We learned of Jack's move from a couple sources, including from Bob Baker (KOEL, Oelwein, Iowa). And while talking with Bob on the phone, we learned he was another of the farm broadcasters who played a pivotal role in getting help for drought-stricken farmers in the Southeast. His project involved 12 box cars of hay and getting donations and volunteers to get it loaded and delivered ... Farm broadcasters are busy people, especially this time of year. In fact, we would bet that many of you won't even read this for a couple weeks. But there is busy and there is busier. We were talking with Evan Slack (Evan Slack Network, Denver, Colo) on the phone a couple days back and he was telling us of his Saturday, August 18. He spoke at the Ag Relations Council meeting in Breckenridge north of Denver in the morning, flew 220 miles to Lamar for an event and to meet with an affiliate, then on to Sterling (same purpose) and finally to Longmont (also same purpose). He said he didn't get up until 7:02 a.m. because of a late evening the night before at a banquet but managed to get home by 9:30 p.m. What will it be like if he gets a jet? ... Cheri Philips writes to let us know she is looking for a communications job. She's an Extension agent at present in Indiana and has both a Bachelor's and Master's degree from Purdue University. Her phone number is 317-884-1358 ... Holly Downing, new with the Indiana Agri-Business Net, recently proved she's an old hand at cooking. She won the 1986 Hoosier Ribeye Beef Cook-off held in Indianapolis, Aug 7 ... Speaking of winning, we've learned that Gordon Webb, Cornell University Media Services, won the New York State Broadcasters Association award for outstanding public service announcements for a small market station. Nice going, Gordon.



James L. Johnson, Chief, Radio and Television Services

Farm Broadcasters Letter  
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